
Imprest Cash Checking Account Closeout

MEMORANDUM

TO: Finance and Administrative Officers, and Chief Accountants

FROM: John J. Linderman, Director
Office of Financial Management

Phillip Wippel, Deputy Director
Bureau of Management Services
Department of Treasury

DATE: October 13, 1995

SUBJECT: Imprest Cash Checking Account Closeout

Last April, we sent you a memo which covered issues related to the closing of imprest cash accounts. As an attachment to that memo, we provided reconciliation forms to be filled out by all agencies as a starting point to the closeout of the imprest cash checking accounts. We have reviewed and analyzed your agency's responses.

We appreciate your involvement in providing these reconciliations. We had hoped that this effort would enable us to centrally complete most of the imprest cash closeouts. However, the reconciliations have documented that there are still a great number of reconciling items which most appropriately require additional agency action to be appropriately resolved.

The following discussion explains the steps needed to close out imprest cash checking accounts. Steps 1 through 5 have already been accomplished or are in process as of the mailing of this memorandum. We have attached a summary of the new TCs established to enable these steps.

<u>Responsible Party</u>	<u>Description</u>
OFM	1. Imprest cash balances for the General Fund Agencies were converted to agency "090" (OFM) rather than individual agencies. To enable appropriate closeout of imprest cash, OFM has reclassified imprest cash balances within general ledger 0073 (converted imprest cash authority) to the applicable agencies. This was done via TC639, which does not require an index or PCA. OFM will utilize a D23 for general purpose funding for each agency when recording these transactions so that reclassification is unnecessary.
OFM	2. OFM will record confirmed petty cash balances that have been established within agencies' imprest cash authorization. OFM will enter TCs 588 and 589 to transfer confirmed amounts from the Imprest Cash general ledger "0073" to the Petty Cash general ledger "0072."

Treasury	3. Agencies provided information on outstanding warrants issued from the imprest cash accounts via the earlier reconciliation process. Treasury has processed a debit against each account for the amount of these warrants and will record these as revenue to the Escheats Fund.
Treasury	4. Treasury has posted entries to their records from the 1993-94 fiscal year-end closing that had not been previously posted due to changes in information flow that occurred during initial MAIN implementation. They have also posted selected corrections to the bank statement from reconciliations that agencies provided this summer. Account bank balances were recomputed after all of the above transactions were taken into consideration.
OFM	5. OFM compared the authorized balance, after petty cash adjustments, with the updated bank balance from Treasury. These amounts should equal, but in some cases unresolved outstanding items reflect a discrepancy. OFM will record TC 431 (Bank ID #107) to close out agencies' comptroller general ledger 0073 to the extent that it agrees with the Treasurer's bank balance (i.e., the lower of the two balances) using a D23 with a general purpose finance type ("01"). Agencies may reclassify these balances to a different D23 with finance type "01," if desired. A copy of this comparative analysis and the final Treasury bank statement is attached.
Agencies	<p>6. Agencies must analyze remaining discrepancies between the Treasurer's bank balance and OFM's adjusted authorized balance.</p> <p>If there is an "over" discrepancy, you most likely have over-reimbursed the account in the past or somehow made an unrecognized deposit. In any case, if you agree with this analysis, this amount must be recorded by entering TC 423 (user class 01 or 05, bank ID #107, effective date 9/31/95, appropriation year 95), classifying the revenue as general purpose (comptroller object 1795). Please request security clearance to bank ID #107 for the person who will be making these entries so that the entries will process.</p> <p>If there is a "short" discrepancy, you most likely have an unrecorded disbursement. This may be due to unrecorded travel advances, or unreimbursed expenditures. If you have an unrecorded advance please submit a journal voucher request to OFM to reclassify these balances from comptroller general ledger 0073 to 0519 (accounts receivable payroll - no d/f) or 0514 (travel advances receivable - current no d/f), as appropriate using TC 588/589 (using the bank ID # you use for deposit, user class 08, effective date 9/31/95, appropriation year 95). If you have an unreimbursed expenditure please enter a journal voucher request TC422 and TC426 for this amount (user class 01 or 05, bank ID #107, comptroller object 6247, effective date 9/31/95, appropriation year 95).</p> <p>The deadline for these corrective entries is October 31, 1995, not September 15, as originally published in the Year-End Closing Schedule.</p> <p>NOTE: Agencies must request appropriate security to enable their user 01, 05, or 08 employees access to Bank ID #107. To expedite this process, please use the attached form to request special approval from your MAIN FACS Agency Security Administrator, who will fax it directly to Mr. Michael Moody at (517) 373-6458. Your Agency Security Administrator has received a separate memorandum, also dated October 12, notifying them of this special expedited process.</p>
OFM	7. After October 31, 1995, OFM will presume that any remaining balances were caused by unrecorded revenues or expenditures by your agency. OFM will record these balances in the Deposits Clearing Fund (D22 4000 index 99970

D23 9970, Bank ID #107) for your reclassification prior to your account balance disposition meeting (December 4, 1995 through December 15, 1995).

Agencies 8. In some cases (see step 2), OFM will have recorded petty cash balances smaller than the actual amount of petty cash held by the agency. The agency should deposit the excess amounts using TC191, if the agency's compliance with step 5 resulted in recognizing an expenditure for "short" amounts, and/or TC190, for all other remaining amounts. Either transaction should be made using a current effective date and appropriation year 96.

Please direct your questions on this matter to Ms. Jane Wu at 34010 or Mr. Steve Grover at 31522.

Thank you for your continued cooperation in this process.

Attachment

cc: M. Murray	L. Pigue	Agency Implementation Coordinators
C. DeRose	M. Otis	MAIN Help Desk
M. Lannoye	J. Wu	Agency Security Administrators
A. T. Clay	E. Bur	
D. Johnson	S. Ellison	
S. Engle		

New TCs established for Imprest Cash Checking Account Closeout

TC422 - Write off of Comptroller General Ledger 0073 shortage in Treasurer's Bank Balance.

Only as companion with TC426

Debit 3500

Credit 0070

Document Type - JR; Batch Type G

TC 423 - Recognize excess in Treasurer's Bank Balance after classifying General Ledger 0073 as 0070.

Debit 0070

Credit 3100

Document Type - JV; Batch Type - 5

TC426 - Reclass 0073 as 0070 to complete write-off of General Ledger 0073. Companion only to TC422.

Debit 0070

Credit 3100

Debit 3200

Credit 0073

Document Type - JR; Batch Type G

TC431 - For us by OFM only. Reclass 0073 as 0070 to the extent that Treasurer's Bank Balance and Comptroller General Ledger 0073 agree (i.e. whichever has the smaller balance).

Debit 0070

Credit 3100

Debit 3200

Credit 0073

Document Type - JV; Batch Type - 5

SECURITY FOR BANK ID #107

I hereby request that BANK ID #107 access for the following employees be granted for the purpose of closing out imprest cash checking accounts in accordance with instructions received from the Office of Financial Management, Department of Management and Budget. I further understand that this access is of limited duration and will be revoked shortly after October 31, 1995.

Approved _____ Agency _____

Agency Security Administrator

Date _____

Name

User ID

User Class

Please submit to Mr. Michael Moody at OFM as soon as possible via fax at (517) 373-6458.